

1 is, please limit your answers to GRIP since it's  
2 not been proposed to Cox at this point.

3 MR. EDWARDS: I have an objection to that.  
4 It was addressed in the rebuttal testimony as a  
5 compromised proposal. It's certainly been put at  
6 issue. If Cox only wants to ask questions about  
7 GRIP, that's its decision, but VGRIP has certainly  
8 been put at issue with respect to all the  
9 petitioners.

10 MR. HARRINGTON: I have to disagree with  
11 respect to Cox here. If you look at the Joint  
12 Decision Point List, you will discover the only  
13 contractual language proposed for Cox is the GRIP  
14 language. The VGRIP language does not appear  
15 there, as far as I've been able to tell. If  
16 someone can point it to me as to Cox in the  
17 underlined portions of the Verizon proposal, then I  
18 would be happy to accept it's in here.

19 MR. EDWARDS: The JDPL is simply a tool.  
20 I'm talking about the testimony. The testimony  
21 clearly offers it as a compromised proposal.

22 MR. DYGERT: Is that--has Cox reviewed the

1 Verizon rebuttal testimony to see whether it does  
2 include VGRIP?

3 MR. HARRINGTON: I guess this is a point  
4 that came up actually in the opening statements,  
5 and I will make it again.

6 Verizon has had a tendency in this  
7 proceeding to file testimonies as if all three of  
8 the petitioners are proposing the same contract  
9 language and everything is identical as to the  
10 three petitioners. That has not been the case, and  
11 in many cases Verizon's testimony does not  
12 distinguish among the petitioners.

13 And I think a significant concern for Cox  
14 here all along has been that Verizon is not--even  
15 when it proposes different language to Cox,  
16 addressing the differences between Cox and Verizon  
17 is assuming that Cox is the same as AT&T or the  
18 same as WorldCom. In fact, it's assuming AT&T is  
19 the same as WorldCom, and the WorldCom is the same  
20 as AT&T.

21 And to that extent, that's a concern for  
22 ours--of ours. The particular reason I'm asking

1 here to limit answers to GRIP is that's the  
2 proposal that the Cox negotiators have been given  
3 as Verizon's last proposal. That's a proposal that  
4 showed up in Verizon's reply. That's the proposal  
5 that showed up in the original JDPL, and then the  
6 final JDPL, and what I have seen in the  
7 cross-examination so far, in all honesty, is that  
8 you get answers which switch back and forth between  
9 VGRIP and GRIP, and I think that's fine as far as  
10 both of those proposals are on the table for a  
11 particular party, but I don't believe they have  
12 been put on the table for Cox at any time in this  
13 proceeding. They may have been on the table for  
14 Cox in negotiations over the two years of the  
15 negotiations took place, but that was not the  
16 Verizon proposal--has not been the Verizon proposal  
17 since April of this year at the very earliest.  
18 Latest, I should say, and as a consequence, I  
19 wanted to make sure that the answers are limited to  
20 talking about GRIP and not VGRIP because there are  
21 some significant differences and talking about  
22 VGRIP in the context of the Cox Verizon arbitration

1 is only going to lead to confusion as opposed to  
2 clearing things up.

3 MR. DYGERT: Verizon have a response?

4 MS. FAGLIONI: A couple simple points. I  
5 think I have several clients behind me that will be  
6 jumping out of their chairs if I don't point out  
7 that it was the people on this side of the table  
8 that wanted to come together as a group, and I'm  
9 sorry if that has not always led to the clearest of  
10 documents and the clearest of delineations. We've  
11 tried to do the best we can. It's a joint  
12 proceeding that we had to sometimes paint with a  
13 broad brush, as a practical result of the fact that  
14 we wanted to consolidate. That's why we are here.

15 As to his specific point about what's on  
16 the proposal, I think Mr. Edwards has  
17 addressed--testimony is certainly appropriate place  
18 to indicate what Verizon's position is. We have  
19 done that. If they choose not to respond to it,  
20 that's fine if he wants to cross-examine and limit  
21 his cross-examination however he wants, but the  
22 fact that something is or isn't in the JDPL, and to

1 be honest with you, the fact that it is or isn't in  
2 the documents filed on May 31st is something we're  
3 all still grappling with to keep up with three  
4 different people, three different contracts in  
5 motion. So he could conduct his cross-examination  
6 as he wants. I think Verizon's testimony will be  
7 clear on the point.

8 MR. DYGERT: Well, I think this leaves us  
9 in the position that, Mr. Harrington, you are  
10 welcome to examine Verizon's witnesses on either  
11 the GRIPS proposal or the GRIP proposal or the  
12 VGRIP proposal as you prefer, but your choice to  
13 limit your cross-examination to the GRIP proposal  
14 will not necessarily limit the Commission in  
15 choosing between the competing sets of language if  
16 it appears to us from our review of the record that  
17 the VGRIP proposal was proposed to Cox in rebuttal  
18 testimony in a way that could reasonably be viewed  
19 as having put it at issue.

20 MR. HARRINGTON: I understand.

21 MR. STANLEY: Can I ask a quick follow-up.  
22 I'm looking at AT&T Exhibit 35 that says that the

1 relevant contract provisions for the VGRIP proposal  
2 are 4.1.3.2 and 4.1.3.4.

3 Is that the correct universe of the  
4 contract language applicable to the VGRIP proposal?

5 MR. D'AMICO: Those are the specifics.  
6 There's the definition of IP and POI and stuff like  
7 that kind of encompass it, but that's the meat of  
8 the VGRIP.

9 MS. KELLEY: Could I just note that there  
10 is language they propose for WorldCom and WorldCom  
11 includes VGRIPs as well. That's one of the things  
12 that Mr. Harrington is struggling with. It's not  
13 that their VGRIPs proposal is not just in the AT&T  
14 contract there. There's different language to us  
15 there that also encapsulates VGRIPs. So, it's  
16 difficult for us to know exactly what we should be  
17 focusing on and working with unless we could rely  
18 on this.

19 MS. FARROBA: Then if there was separate  
20 language for WorldCom and there was separate  
21 language for AT&T, was there language proposed for  
22 Cox?

1 MR. HARRINGTON: Absolutely. Not for  
2 VGRIP, but there was specific language for 1.1 for  
3 Cox that does not include VGRIP, to my knowledge.

4 MS. FARROBA: I was directing that  
5 question to Verizon, actually.

6 MR. HARRINGTON: I apologize.

7 MR. EDWARDS: I think the answer to that  
8 is the VGRIP proposal was outlined in the rebuttal  
9 testimony applicable to all three parties. The  
10 testimony does not include specific contract  
11 language to Cox.

12 And Ms. Kelley is correct that, as I  
13 understand it, the status of the negotiations  
14 vis-a-vis AT&T and vis-a-vis WorldCom were at  
15 different stages at different times, and so both of  
16 those pieces of contract language are somewhat  
17 different. That's why in the rebuttal testimony we  
18 tried to summarize in one place with the essence of  
19 the VGRIP proposal is. It also relates a little  
20 bit to the record requests that we have back from  
21 this morning with respect to the--or early this  
22 afternoon with respect to the WorldCom cross on

1 that proposal in the question that came from the  
2 Commission.

3 The language as it currently exists in the  
4 JDPL with respect to WorldCom and AT&T is not  
5 identical. Do you have anything to add on that,  
6 Pete?

7 MR. D'AMICO: I have been trying to talk  
8 concepts and then eventually get down to specific  
9 language. I feel with VGRIP you first need to  
10 understand the concept, and then the actual  
11 language. There was an excellent question this  
12 morning about what if there is a cage or  
13 co-location arrangements in the local calling area.  
14 Again, those get down to the specific contract  
15 language. We are just trying to blow it down so we  
16 can get it into two or three paragraphs.

17 MS. FARROBA: I understand what you're  
18 saying. I'm just wondering why you would have  
19 already had specific language proposed for the AT&T  
20 agreement and the WorldCom agreement but not for  
21 the Cox agreement.

22 MS. FAGLIONI: It's a function of when the



1 negotiations cut off. Then we flow into mediation.  
2 It's when did the responsibility transfer from the  
3 negotiating team to the people two were litigating  
4 the arbitration, and that's the best answer to tell  
5 you. There's not clean lines between that handoff.

6 MR. EDWARDS: I'm checking with the  
7 negotiators. I think the most recent clear  
8 statement of the VGRIP language is the AT&T  
9 language.

10 MR. DYGERT: Well, I think that what I  
11 said earlier about Cox's freedom to examine these  
12 witnesses on either/or both of the proposals  
13 remains, as does my point about Cox's decision to  
14 limit its cross-examination to GRIP not preventing  
15 us from choosing VGRIP if it appears that it was  
16 properly proposed to them by way of rebuttal  
17 testimony.

18 This appears to be yet another example of  
19 where we might want to clarify what contract  
20 language is actually at issue for each of the  
21 different parties or for each of the different  
22 pairs of negotiating parties here. And I know

1 there's, as a result of a few other changes that  
2 have been discovered to the JDPL, there is going to  
3 be in the works a revised version of that, and that  
4 might be a good opportunity for Verizon to put what  
5 it views as its current proposal to Cox down in  
6 black and white in terms of contract language  
7 instead of in terms of testimony.

8 MR. EDWARDS: May I just add one thing to  
9 the record. I have been saying that the VGRIP  
10 proposal is contained in the rebuttal testimony,  
11 and I been reminded it's also mentioned and  
12 described in the direct testimony also.

13 MR. DYGERT: Go ahead, Mr. Harrington.

14 MR. HARRINGTON: What I was going to note  
15 are two things. First, I've talked to the Cox  
16 negotiator as recently as yesterday, and to my  
17 knowledge during the entire pendency of this  
18 proceeding, VGRIP has never been proposed to Cox by  
19 a Verizon negotiator.

20 Second, yes, Verizon did put VGRIP into  
21 its direct testimony, and Cox's rebuttal testimony  
22 says two things on this topic. The first is that,

1 in fact, VGRIP has never been proposed to Cox in  
2 the proceeding, and so certainly Verizon was on  
3 notice as of August 17th when Cox filed its  
4 rebuttal testimony that Cox didn't think it was in  
5 the proceeding.

6 And second, there are substantive  
7 responses in that testimony on the off chance that  
8 the Verizon did believe that it put VGRIP in--on  
9 the off chance that Verizon did believe it had put  
10 VGRIP into issue as to Cox. There are substantive  
11 responses in the rebuttal testimony of Dr. Collins.

12 MR. EDWARDS: That just sort of proves the  
13 point.

14 MR. DYGERT: To VGRIP?

15 MR. HARRINGTON: To VGRIP although again,  
16 the testimony notes specifically that it was never  
17 proposed to us.

18 MR. DYGERT: How about this as a way of  
19 proceeding. You conduct, you, Mr. Harrington,  
20 conduct the cross-examination that you think is  
21 necessary on these issues today and review the  
22 Verizon VGRIP language that is described as the

1 most recent version, which I think I remember is  
2 what was proposed to AT&T, and if based on that  
3 review you think that you would be prejudiced if  
4 you didn't have an additional opportunity to  
5 cross-examine further on things that you've learned  
6 from that review, we will give you a little bit of  
7 time tomorrow to do that.

8 MR. HARRINGTON: Okay. That's quite  
9 reasonable.

10 Shall we wait for Mr. Albert to come back?

11 MR. D'AMICO: Don told me hold the fort  
12 down. So I guess as it relates to POI or issue  
13 I-1, I could answer that or we can wait for Don.  
14 He just jumped out.

15 MR. HARRINGTON: I will start, and if you  
16 can answer the questions, great. If not, we will  
17 wait.

18 Speaking now of GRIP, as I understand it,  
19 GRIP applies when the IP is either outside the  
20 local calling area where the Verizon switch is  
21 located, or is more than 20 miles from the rate  
22 center point. Is that a fair characterization?

1 MR. D'AMICO: Is it 20 or 25?

2 MR. HARRINGTON: 25. In the language we  
3 have.

4 MR. D'AMICO: Right. I thought you said  
5 20. I think it's 25 in this language here.

6 MR. HARRINGTON: I think we are in  
7 agreement on that. Now, when GRIP applies, the  
8 consequence of this is that Cox would be  
9 responsible for the cost of transport, not from the  
10 edge of the local calling area or from the 25-mile  
11 point but in fact all the way from the Verizon  
12 switch; isn't that correct?

13 MR. D'AMICO: Again, I'm looking at this  
14 language, and it says geographically--

15 MS. PREISS: Can you identify the  
16 language, Verizon proposed language.

17 MR. D'AMICO: I'm on page 13 of the JDPL,  
18 and it's Section 4.2.2, and it's under Verizon's  
19 proposed contract language, and in the paragraph  
20 there it says a geographically relevant  
21 interconnection point, IP, shall mean an IP that is  
22 located within the Verizon local calling area of

1 equivalent Verizon end user customer but no greater  
2 than 25 miles from the Verizon rate center point.

3 MR. HARRINGTON: Are you reading from the  
4 Cox portion of the JDPL, the underlined language or  
5 are you reading from a different part?

6 MR. D'AMICO: It's underlined. Am I in  
7 the right spot on page--

8 MR. EDWARDS: He's reading from the  
9 Verizon proposed contract language.

10 MR. HARRINGTON: You said 4.2.2, and both  
11 of copies are on page 13 and are a different  
12 section number. But our language is the same,  
13 though.

14 MR. EDWARDS: 4.2.2 or 4.2.4.

15 MR. D'AMICO: 4.2.4.

16 MR. HARRINGTON: Pagination may be  
17 different for different people, apparently.

18 MR. D'AMICO: So in effect, what that's  
19 saying is again under this GRIP proposal that the  
20 IP should be within the local calling area, but  
21 should be no greater than 25 miles from the rate  
22 center point.

1 I guess again this is kind of the history  
2 of GRIP, if you will. It's an attempt to start  
3 moving further outside of the local calling area,  
4 and that's where the 25 miles comes about.

5 MR. HARRINGTON: But, in fact, it's the  
6 lesser of the two; correct?

7 MR. D'AMICO: Yes.

8 MR. HARRINGTON: Okay. And if, in fact,  
9 the point is outside those boundaries whichever  
10 they happen to be, 25 miles of the boundary of the  
11 local calling area, Cox would not receive or the  
12 diminution in Cox's compensation is how this works,  
13 would be based on the mileage from the end office;  
14 correct?

15 MR. D'AMICO: The originating?

16 MR. HARRINGTON: Yes. It would not be  
17 based on the mileage from the boundary as it was  
18 crossed?

19 MR. D'AMICO: Not based on--

20 MR. HARRINGTON: Not your proposed  
21 language?

22 MR. D'AMICO: Yes.

1 MR. HARRINGTON: Now, there could be more  
2 than one rate center point in the local calling  
3 area; isn't that correct?

4 MR. D'AMICO: I'm trying to remember the  
5 definition of rate center point. Yes, I believe  
6 so.

7 MR. HARRINGTON: Because the local calling  
8 area for an individual customer may involve several  
9 different rate centers?

10 MR. D'AMICO: Yes.

11 And again, this leads back to what we were  
12 talking about earlier where there are situations  
13 where a rate center is the same as local calling  
14 area, and those terms were being used  
15 interchangeably, and we actually tried to be more  
16 specific and say it's a local calling area.

17 MR. HARRINGTON: Now, as to individual  
18 customers or to use the term there I believe you  
19 use equivalent customer, local calling areas are  
20 not fixed and immutable. They could change over  
21 time; is that right?

22 MR. D'AMICO: Yes.



1 MR. HARRINGTON: And they do fairly often,  
2 don't they?

3 MR. D'AMICO: Mine hasn't, but I would  
4 imagine they change, based on local exchange  
5 tariffs or Commission orders or whatever.

6 MR. HARRINGTON: Right. And Verizon  
7 initiates those changes sometimes, for instance  
8 increasing AAS areas and things like that?

9 MR. D'AMICO: Those are situations that  
10 occur, yes.

11 MR. HARRINGTON: Also, to the extent that  
12 Virginia Corporation Commission were to engage in  
13 rate center consolidation, I know something that  
14 the FCC is interested in, wouldn't that also affect  
15 the size of local calling areas, that would change  
16 them over time?

17 MR. D'AMICO: Sounds like it.

18 MR. HARRINGTON: Could affect even rate  
19 center points. Probably would, in fact.

20 MR. D'AMICO: Probably.

21 MR. HARRINGTON: Is there an open docket  
22 in Virginia on this, do you know?

1 MR. D'AMICO: I do not know. Sorry.

2 MR. HARRINGTON: Assuming for the moment  
3 there is such a docket, do you think there is some  
4 likelihood there could be rate center consolidation  
5 into that kind of docket in light of the number of  
6 conservation issues?

7 MR. D'AMICO: I would only be guessing, so  
8 I don't know. Sorry.

9 MR. HARRINGTON: Let's move on to a  
10 question about the shape of the local calling  
11 areas.

12 It's safe to say that local calling areas  
13 are not circular or even symmetrical; is that fair?

14 MR. D'AMICO: They're typically--no, I  
15 mean, when we draw pictures, everybody draws  
16 circles and squares, but you're right, they not.

17 MR. HARRINGTON: They're sort of fractile  
18 shapes, I think.

19 That means that as a consequence, isn't it  
20 correct that if you have a particular point in the  
21 local calling area, the distance from that point to  
22 one edge of the local calling area is likely to be

1 different than the distance to another edge; that  
2 some places the distance could be 2 miles and other  
3 place us it could be 10, depending on the direction  
4 you go?

5 MR. D'AMICO: Yes, I would imagine that's  
6 possible. Or that's true.

7 MR. HARRINGTON: So under GRIP, you could  
8 have the situation in which, depending upon the  
9 accident of where I located my interconnection  
10 point that a 3 miles away is subject to GRIP but a  
11 10 miles away is not.

12 MR. D'AMICO: Those situations could arise  
13 under GRIP.

14 MR. HARRINGTON: In fact, it could even  
15 more extreme. It could be as much as 24 miles  
16 versus two or three miles, couldn't it?

17 MR. D'AMICO: Yes. That's one of the  
18 reasons why we came up with VGRIP.

19 MR. HARRINGTON: We may talk about that  
20 later.

21 MR. D'AMICO: I had to lead into that, but  
22 there are--like I said, you start drawing circles,

1 and then you start--you go on the road and look,  
2 and things are a little different, so we try to  
3 simplify things.

4 MR. HARRINGTON: So, as a consequence of  
5 all these things, the changes in local calling  
6 areas and the variations and shapes of the local  
7 calling areas and the like, isn't there a certain  
8 extent to which the scope of the traffic that's  
9 subject to GRIP is a moving target, something very  
10 hard to discern ahead of time?

11 MR. D'AMICO: Yep.

12 MR. HARRINGTON: Different carriers could  
13 be subject to different objections more or less  
14 arbitrarily?

15 MR. D'AMICO: I would say that's true, but  
16 again, the whole intent of GRIP was to look at  
17 extreme situations as well as average type  
18 situations and to focus in on a remedy to that.

19 So, that's what the intent of the GRIP  
20 was. If we didn't have this issue of Verizon  
21 hauling traffic at these long runs, we wouldn't  
22 have this proposal. And for CLECs that don't have

1 long runs, we don't really have an issue, but we  
2 still need a language in the event that either it  
3 occurs or some other CLEC were to take MFN that  
4 language. That's what we are trying to do.

5 MR. HARRINGTON: I would like to move on  
6 to the 25-mile limit, which we both now agreed is  
7 25 miles.

8 MR. D'AMICO: Yes.

9 MR. HARRINGTON: And I would like you to  
10 take a look at what's been marked as Cox Exhibit  
11 Number 3.

12 What are the distances given for the Cox  
13 switch and the Verizon tandem switch to which those  
14 switches interconnect?

15 MR. D'AMICO: The first one is 23 miles,  
16 the first example, and the second example looks  
17 like it's four miles.

18 MR. HARRINGTON: So both under 25 miles?

19 MR. D'AMICO: They're under 25 miles from  
20 the tandem, but they may not be under 25 miles from  
21 the originating caller.

22 MR. HARRINGTON: I don't disagree.

1           Now, you have the 25-mile limit. Does the  
2 limit correlate to some particular engineering  
3 guideline used in the Verizon network?

4           MR. D'AMICO: Not that I'm aware of. I  
5 think it was just a number. A reasonable number.

6           MR. HARRINGTON: Okay.

7           MR. D'AMICO: Again, my understanding of  
8 this, it was again a compromise to move further  
9 out. I'm not sure if it accomplished that intent.  
10 I think you may be reading it to say that it's kind  
11 of--it's going in the wrong direction, but I think  
12 the origin history of it was start moving out.

13           MR. HARRINGTON: The 25 miles doesn't, for  
14 instance, represent a limit of how far Verizon  
15 hauls a call in its own network, does it?

16           MR. D'AMICO: No, it does not.

17           MR. HARRINGTON: Not even remotely?

18           MR. D'AMICO: No.

19           MR. HARRINGTON: I would like you actually  
20 to look now at Cox Exhibit Number 7, which is a  
21 nowhere near as good-looking version of part of the  
22 LATA map that Verizon introduced earlier.

1 MR. D'AMICO: Looks like one of those  
2 airport maps.

3 MR. HARRINGTON: I believe this map is  
4 originally from Verizon, actually.

5 MR. D'AMICO: It's a good-looking map,  
6 then.

7 MR. HARRINGTON: I somehow knew your  
8 opinion would change.

9 Now, if you look in the lower right-hand  
10 corner of the map, there is something called insert  
11 G which refers to the Norfolk-Virginia Beach area.

12 Are you aware of where Verizon's tandem is  
13 in this LATA? Actually, I should ask you first do  
14 you know how many tandems Verizon had in this LATA?

15 MR. D'AMICO: Four, five, something like  
16 that.

17 MR. ALBERT: The one we interconnect with  
18 CLEC at is one that's at Bute Street which is in  
19 Norfolk.

20 MR. HARRINGTON: Now, there was testimony  
21 earlier today during cross-examination of, I  
22 believe it was, the AT&T witness, Mr. Talbott,

1 concerning how calls end up going through tandems  
2 from adjacent local calling areas. Do you recall  
3 that testimony?

4 MR. D'AMICO: Yes.

5 MR. HARRINGTON: And as I recall his  
6 testimony, and I'm sure you'll correct me if I'm  
7 wrong, he said predominantly the intent is to have  
8 the traffic go directly between two adjacent rate  
9 centers or switches, but that other times traffic  
10 goes through the tandem for such traffic, if there  
11 is an overflow condition of some sort.

12 MR. D'AMICO: Yes, I remember that.

13 MR. HARRINGTON: In fact, I believe that's  
14 also consistent with what I believe was Verizon 48,  
15 the drawing Mr. Albert did; is that correct? That  
16 was your drawing for issue I-4.

17 MR. ALBERT: It's a matter of degree. If  
18 you look at the volumes of call traffic, how much  
19 goes direct end office to end office within our own  
20 network versus how much do we send through the  
21 tandem on an overflow basis. Probably somewhere  
22 between 90 percent going direct and 80 percent



1 going direct.

2 MR. HARRINGTON: So 10, 20 percent will go  
3 through the tandem in typical circumstances?

4 MR. ALBERT: Busy hour. So the basic  
5 design of the busy hour, it would have the  
6 90 percent would go directly between the pair of  
7 end offices in our network, and 10 percent would  
8 overflow up to the tandem.

9 There is a difference between busy hour  
10 versus total day because the total day number would  
11 have a much higher percentage going directly  
12 between the two because of the peak that we design  
13 to in the busy hour.

14 MR. HARRINGTON: Now, in those  
15 circumstance, when you have the overflow during the  
16 busy hour, does Verizon haul traffic more than  
17 25 miles between an end office and a tandem and  
18 then back another 25 miles back to another end  
19 office for calls that might be in a local calling  
20 area? Are there occasions when that happens?

21 MR. ALBERT: There will be some occasions.

22 MR. HARRINGTON: And Verizon doesn't have

1 a policy, for instance, of putting a tandem within  
2 25 miles of every end office?

3 MR. ALBERT: No.

4 MR. HARRINGTON: That would be inefficient  
5 network design from your perspective? To adopt  
6 such a policy. I don't mean that it would be in  
7 every case.

8 MR. ALBERT: It's not the way we look at  
9 and build and design the network. I mean, we do go  
10 through--when there is a need for a new tandem, we  
11 go through work to see where it should be placed.  
12 That looks at transport costs.

13 MR. HARRINGTON: Right. So there are  
14 probably millions of minutes of calls on, say, a  
15 monthly basis that Verizon sends more than 25 miles  
16 each direction through the tandem that are actually  
17 local to each other.

18 MR. ALBERT: I really wouldn't know how  
19 big to make it. If you're talking Richmond, if  
20 you're talking Norfolk, if you're talking of  
21 northern Virginia, WASHMET area, most all of that  
22 is probably under 25 miles. You start getting out

1 into--

2 MR. HARRINGTON: Say Roanoke.

3 MR. ALBERT: Roanoke area, but they are  
4 the local calling areas are smaller. Blacksburg  
5 isn't a local call to Roanoke. Salem is, so  
6 although the geography is more spread out, the  
7 local calling areas tend to be smaller.

8 MR. HARRINGTON: But it happens routinely.

9 MR. ALBERT: I don't even know I would  
10 characterize it as routinely. I would say some,  
11 not knowing how much it is.

12 MR. HARRINGTON: It wouldn't surprise the  
13 network for it to happen so to speak?

14 MR. ALBERT: Excuse me?

15 MR. HARRINGTON: The network was designed  
16 meant to accommodate it in any event?

17 MR. ALBERT: There are some local calls  
18 that would be more than 25 miles going through the  
19 tandem, but I don't think a lot.

20 MR. HARRINGTON: Now does Verizon impose a  
21 25-mile limit for traffic it hauls to other  
22 incumbent LECs?

1 MR. ALBERT: No.

2 MR. HARRINGTON: So, even if it's more  
3 than 25 miles, then the other incumbent LEC is not  
4 required to take care of all the costs.

5 MR. ALBERT: It's different.

6 MR. D'AMICO: When you're talking  
7 incumbent LEC, you're talking about an independent  
8 telephone company?

9 MR. HARRINGTON: United or even up until a  
10 year ago, Verizon South.

11 MR. D'AMICO: Would those be intra-LATA  
12 toll routes or would they be local routes?

13 MR. HARRINGTON: I would imagine that most  
14 of your routes are intra-LATA toll, but let's talk  
15 local here.

16 MR. D'AMICO: Okay. You have to look at  
17 specifics, and if we are hauling a call that's  
18 greater than 25 miles, and it's two different  
19 calling areas, that's not a problem. The problem  
20 is when we are hauling it large distances and it's  
21 within local--it's an NXX designated as a local  
22 call.

1 MR. HARRINGTON: I would like for to you  
2 look at Cox Exhibit Number 4, and could one of you  
3 read the first sentence to me. It's the one that  
4 starts with the crossed out language in the  
5 request, but would you read the first sentence of  
6 the reply.

7 MR. D'AMICO: Verizon interconnects with  
8 other ILECs in Virginia by means legacy mid-span  
9 meets, usually at the certified boundary of the two  
10 companies.

11 MR. HARRINGTON: Now, you're not using  
12 GRIP there, are you?

13 MR. D'AMICO: Again, I don't know if  
14 that's appropriate because there is a geographic  
15 boundary that has a calling area for Verizon, and  
16 it has a calling area for the ILEC.

17 MR. HARRINGTON: You're saying you don't  
18 think GRIP would be appropriate there, or you don't  
19 believe that the term GRIP makes any sense there?  
20 I'm not sure I understand what you're saying.

21 MR. D'AMICO: I think that that  
22 independent has a geographically relevant

1 interconnection point because it's at their  
2 boundary. It's different because you have  
3 different situations. You don't have an overlay as  
4 you do with the CLEC situation.

5 MR. HARRINGTON: But nevertheless, your  
6 particular GRIP proposal does not apply to the  
7 other incumbent LECs.

8 MR. D'AMICO: Again, I would say apples  
9 and oranges.

10 MR. HARRINGTON: How about CMRS providers?  
11 Do you provide it to CMRS providers?

12 MR. D'AMICO: I guess is the question is  
13 GRIP in the CMRS Interconnection Agreements?

14 MR. HARRINGTON: Yeah.

15 MR. D'AMICO: Those agreements were  
16 negotiated several years ago, and they don't  
17 include any GRIP provisions.

18 MR. HARRINGTON: Have you negotiated any  
19 CMRS agreements, say, in the past year?

20 MR. D'AMICO: I would imagine that we  
21 have.

22 MR. HARRINGTON: To your knowledge, do any

1 of them contain GRIP?

2 MR. D'AMICO: I would think that some of  
3 them do, yes.

4 MR. HARRINGTON: I would look you to take  
5 a look at Cox Exhibit Number 5, please.

6 MR. D'AMICO: Okay.

7 MR. HARRINGTON: And that is the response  
8 to interrogatory response I-3 from Cox in which you  
9 indicate 95 of the 119 agreements between Verizon  
10 and CLECs other than Cox or CMRS providers in  
11 Virginia do not contain GRIP.

12 MR. D'AMICO: Yes.

13 MR. HARRINGTON: To your knowledge, is  
14 there anything inaccurate about that statement?

15 MR. D'AMICO: No, but that's the problem.  
16 We have 95 situations that don't really address our  
17 problem. That's why we are here.

18 MR. HARRINGTON: Are any of those  
19 agreements adopted, say, in the last year?

20 MR. D'AMICO: I don't know the specifics.

21 MR. HARRINGTON: Okay. I would like to  
22 show you Cox exhibit number or I would like to you

1 look at Cox Exhibit Number 6.

2           For reference, this is a database pulled  
3 from the Virginia State Corporation Commission list  
4 of interconnection agreements, and as you will see  
5 it starts with the very first one adopted in  
6 Virginia in 1996, and goes up to the most recently  
7 filed one as of August 17th.

8           MR. EDWARDS: May I ask a question. Was  
9 this included in the exhibits exchanged last  
10 evening, Mr. Harrington?

11           MR. HARRINGTON: It was not because we  
12 didn't have it in hand at the time. Would you like  
13 a moment to review it?

14           MR. EDWARDS: Please.

15           (Pause.)

16           MR. HARRINGTON: I'm not going to ask you  
17 to actually look through the entire list, but would  
18 it surprise you to discover that of the agreements  
19 on your list of agreements that do not contain GRIP  
20 that 16 of them were adopted in the year 2001 and  
21 another 22 were adopted in the year 2000?

22           MR. D'AMICO: No, it wouldn't.



1 MR. HARRINGTON: So Verizon has been  
2 giving people agreements that don't contain GRIP.  
3 In fact, more than a third of the agreements on  
4 your list of companies that don't have GRIP  
5 throughout 2002 and 2001.

6 MR. D'AMICO: I wouldn't say we have been  
7 giving it.

8 MR. HARRINGTON: Agreeing to.

9 MR. D'AMICO: I would say we haven't been  
10 very successful in getting others to adopt our  
11 concept of geographically relevant interconnection  
12 points.

13 MR. HARRINGTON: I will accept that.

14 I'd like to go back for a moment to  
15 something you said earlier about 25 miles not being  
16 a magic number and that it seemed reasonable to  
17 Verizon.

18 You said there was no network reason for  
19 it, and I think we established that local calling  
20 areas don't match the 25 miles either.

21 Is it fair to say, then that the only  
22 reason Verizon adopted either the 25 miles as a

1 particular number or adopted that as a particular  
2 number was that was the point at which Verizon  
3 decided it didn't want to pay any more for  
4 transport?

5 MR. D'AMICO: Again, my perception of the  
6 25-mile number was a number that was viewed as a  
7 compromise to move further out of the local calling  
8 area, and it was a negotiated number.

9 I have seen numbers similar to that in  
10 other ILECs. Again, 20, 25. It's just a number.

11 MR. HARRINGTON: It's just a number.

12 MR. D'AMICO: It's a compromised number.

13 MR. HARRINGTON: I would like to move on  
14 now to talk about a concept that's in your  
15 testimony. It appears several places, so I don't  
16 think a particular page reference probably is that  
17 helpful, and it's the notion that in your  
18 hypothetical, the Roanoke to Staunton hypothetical,  
19 that Verizon is carrying toll calls, and I want to  
20 an clear on something. Verizon is not paying  
21 anyone toll charges for these calls; is that  
22 correct?

1 MR. D'AMICO: I think maybe the example  
2 that you're citing is when we say a Staunton  
3 customer calls someone with an Staunton NXX, it's  
4 billed to that end user as a local call. However,  
5 when we haul it to Roanoke, we are hauling it as  
6 though it were an intra-LATA toll call. Is that  
7 the reference you're making?

8 MR. HARRINGTON: Yeah, but I want to be  
9 clear you're not paying toll charges to anyone  
10 there, or Verizon is not?

11 MR. D'AMICO: No, Verizon is not.

12 MR. HARRINGTON: You're not paying per  
13 minute for those calls to be transitted. You are  
14 either paying for--you're buying flat-rated  
15 transport or you are self-provisioning?

16 MR. D'AMICO: Right. We are either  
17 hauling that traffic or paying some kind of  
18 transport fee to a CLEC.

19 MR. HARRINGTON: In practice what you're  
20 probably doing is hauling it on existing  
21 interoffice facilities; isn't that right?

22 MR. D'AMICO: I'm not sure I could answer

1 that.

2 MR. ALBERT: Yes.

3 MR. HARRINGTON: So, it's really adding  
4 some more traffic to existing your interoffice  
5 facilities?

6 MR. ALBERT: That's correct.

7 MR. HARRINGTON: I would like to go back  
8 to what was described in the cross-examination of  
9 Mr. Talbott as post-competition scenario number  
10 one, and I believe describe that scenario and I'm  
11 sure your counsel will correct me if I get it  
12 wrong.

13 In that scenario, AT&T has a customer in  
14 Roanoke, and Verizon--a customer in Staunton, and  
15 Verizon has a customer in Staunton, and AT&T and  
16 Verizon both have their switches in Roanoke, and as  
17 your counsel--your counsel asked about one  
18 direction of such calls. What I would like to do  
19 is ask a question that really relates to the other  
20 direction. I will go back to the question that he  
21 asked. And in the scenario, he talked about a call  
22 from a Verizon customer to the AT&T customer and

1 how the--who would be responsible for hauling  
2 traffic along those routes.

3 Now, in that same scenario, except with  
4 the call going from the AT&T customer to the  
5 Verizon customer, is it correct that, in fact, AT&T  
6 would be responsible for hauling the traffic the  
7 90 miles from the AT&T customer to the point of  
8 interconnection? Is that correct?

9 MR. D'AMICO: This is a call that starts  
10 in Staunton?

11 MR. HARRINGTON: Starts in Staunton with  
12 an AT&T customer, terminates in Staunton with a  
13 Verizon customer and the relevant switches and  
14 point of interconnection are located in Roanoke.

15 MR. D'AMICO: Yes, AT&T.

16 MR. HARRINGTON: Right. So, the costs  
17 incurred by each carrier in post-competition  
18 scenario number one as described by your counsel  
19 are really dependent upon which direction the call  
20 is going. In one direction one carrier incurs  
21 certain kinds of costs and the other direction the  
22 other carrier incurs the same costs; is that fair?

1 MR. D'AMICO: I would say that's true, and  
2 it's influenced by where that CLEC elects to put  
3 their switch.

4 MR. HARRINGTON: Right. Now, for AT&T in  
5 that scenario, or let's say Cox, although Cox  
6 doesn't serve any customers in Staunton, AT&T is  
7 going to make its network decisions based on  
8 questions about whether it's worth putting  
9 facilities in Staunton or hauling everything from  
10 Staunton to Roanoke; isn't that right?

11 MR. D'AMICO: I would assume.

12 MR. HARRINGTON: A rationale actor would  
13 do that?

14 MR. D'AMICO: Yes. I would assume that  
15 would influence their decision.

16 MR. HARRINGTON: So their decisions about  
17 where to place their facilities are not merely  
18 influenced by what costs Verizon incurs, but also  
19 by what costs they have to incur to do what they're  
20 doing to serve their customers?

21 MR. D'AMICO: Yes.

22 MR. HARRINGTON: From there I would like

1 to move to some questions about what constitutes  
2 dictating network architecture. Now, I understand  
3 it's Verizon's view in this proceeding that GRIP  
4 doesn't violate the FCC's rules because the CLEC is  
5 permitted to choose any point of interconnection:  
6 Is that a fair characterization of your view?

7 MR. D'AMICO: Yes.

8 MR. HARRINGTON: And what I would like to  
9 do is not ask about whether that proposition is  
10 correct or not. Cox obviously does not believe  
11 it's correct, but about the consequences of that,  
12 and the first question there is, isn't one of the  
13 purposes of Verizon's proposal to influence the  
14 CLEC decisions about their network architecture and  
15 where they will put their points of  
16 interconnection?

17 MR. D'AMICO: No. Again, Verizon is  
18 concerned with the amount of transport on our  
19 network, and that's what the GRIP concept is trying  
20 to address.

21 MR. HARRINGTON: Let me ask it  
22 differently. Do you think that if GRIP is adopted

1 it will affect how CLECs set their points of  
2 interconnection?

3 MR. D'AMICO: It's hard to say. Again,  
4 there's options, so I'm not sure which option a  
5 CLEC would prefer. I know what we would prefer.  
6 We would prefer to be--to address the transport  
7 issue.

8 MR. HARRINGTON: Well, I guess you're not  
9 going to be sure.

10 Let me ask this. Can cost make a  
11 particular network design choice unavailable if it  
12 costs more to do one thing as another? You realize  
13 as a practical matter you can't do your preferred  
14 architecture?

15 MR. D'AMICO: I did one of those zoning  
16 things. Can you start over please.

17 MR. HARRINGTON: Absolutely.

18 MR. D'AMICO: Too many costs.

19 MR. HARRINGTON: Can the costs of a  
20 particular network architecture as a practical  
21 matter make that an architecture you cannot choose  
22 to adopt because you can't afford to do it? As



1 opposed to something else?

2 MR. D'AMICO: Yes.

3 So, for instance, really in the real  
4 world, no one will ever design and construct fully  
5 redundant facilities with two switches and two  
6 loops to everybody so that you increase your  
7 network liability by 2 percent for that or  
8 something?

9 MR. D'AMICO: I would imagine there's  
10 tradeoffs for everything, yes.

11 MR. HARRINGTON: And similarly, if  
12 co-location were very expensive, that could force  
13 carriers to decide never to use  
14 co-location--instead to always use mid-span meets?

15 MR. D'AMICO: If that were true, yes.

16 MR. HARRINGTON: So if, for argument's  
17 sake, let's assume this, adoption of GRIP or for  
18 that matter VGRIP were to make it so expensive for  
19 a carrier that as a practical matter it could not  
20 choose to have only a single POI per LATA or just  
21 one or two points of interconnection per LATA,  
22 wouldn't that have the same effect as telling them

1 they could not have a single point of  
2 interconnection?

3 MR. D'AMICO: Well, I'm not sure that I  
4 have the right answer in that are you saying that  
5 all costs should be put upon Verizon?

6 MR. HARRINGTON: That's not the question  
7 I'm asking now. I will ask it again.

8 MR. D'AMICO: Yeah, do that.

9 MR. HARRINGTON: If the cost increase that  
10 resulted for a CLEC is a consequence of GRIP or  
11 VGRIP or such that it made cost prohibitive for the  
12 CLEC to have only a single physical point of  
13 interconnection or one or two points of  
14 interconnection in a LATA, wouldn't that have the  
15 same effect as telling the CLEC it could not choose  
16 to have one point?

17 MR. D'AMICO: With some kind of  
18 wishy-washy language around prohibitive, yes, I  
19 guess I could generally agree with that.

20 MR. HARRINGTON: Okay. Actually just a  
21 couple more questions on this particular issue.

22 Is there--have you provided any reason why